

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1809-01
Bill No.: HB 822
Subject: Utilities; Public Service Commission
Type: Original
Date: April 3, 2015

Bill Summary: This proposal establishes requirements for utilities regulated by the Public Service Commission regarding the usage of nuclear generated power under certain circumstances.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Public Service Commission	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight assumes this proposal may result in a cost to the Department of Economic Development - Public Service Commission (PSC) and Department of Economic Development - Office of the Public Counsel (OPC) for regulation. Oversight will show an impact of \$0 (regulation can be done with existing resources) to negative unknown (if additional resources may be required).

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
PUBLIC SERVICE COMMISSION FUND			
<u>Costs - PSC & OPC</u>			
Regulation	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON PUBLIC SERVICE COMMISSION FUND	<u><u>\$0 to</u></u> <u>(Unknown)</u>	<u><u>\$0 to</u></u> <u>(Unknown)</u>	<u><u>\$0 to</u></u> <u>(Unknown)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

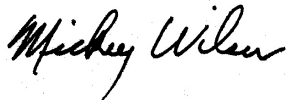
FISCAL DESCRIPTION

This proposal requires the Missouri Public Service Commission to set a nuclear energy mandate of 2% of retail sales of electrical power for those utilities regulated by the commission if Missouri has a functioning small modular nuclear reactor facility that has produced at least three reactors that are legally available for sale and use. The commission may impose time limits not less than three years in length for the mandate and may also waive the requirement in cases where there is undue hardship due to a decrease in energy demand.

The proposal also creates an exception to annual benefit limits under current job creation, worker training, and infrastructure development programs with regard to the construction and use of SMR production facilities. These facilities are defined in the bill and involve the production of nuclear reactors based on fission technology that produces less than 300 megawatts of power. The aggregate amount of benefits under current job creation, worker training, and infrastructure programs for a SMR production facility is capped at \$150 million per year.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION



Mickey Wilson, CPA
Director
April 3, 2015

Ross Strobe
Assistant Director
April 3, 2015